

Pre-Award Manager's Conference



Risk-Based Pre-Award Survey

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Risk-Based Pre-Award Surveys

- ◆ **Risk-Based Pilot Test (Feb.-June 1999)**
- ◆ **RB Pilot CAOs: Atlanta, Chicago, Philadelphia and Santa Ana**
- ◆ **DCMC Ops Chiefs approved RB concept for development and implementation (November 1999)**



Risk-Based Pre-Award Surveys

- ◆ Risk-Based PAT met at DCMC Denver during 13-17 March 2000
- ◆ PAT members include Pre-Award Survey Managers from Birmingham, Chicago, Dallas, Denver, St. Petersburg and Philadelphia
- ◆ PAT's mission is to refine the RB concept, develop One Book policy, and incorporate changes into the PAS Guidebook.



Risk-Based Pre-Award Surveys

- ◆ PAT interviewed five PASMs at test sites to review results of RB pilot test.
- ◆ Overall results of RB pilot were positive.
- ◆ Issues remain on application of RB concept to each survey factor or functional area.
- ◆ RB survey identifies both contractor and procurement risk(s), rates them & provides a strategy to meet risk.



Risk Rating Categories

- ◆ High – **Likely to cause significant** disruption of schedule, increase in cost, or degradation of performance. **Significant doubt exists**, based on the offeror's performance record, that the offeror can perform the proposed effort.
- ◆ Moderate – Can potentially cause some ... Some doubt exists...
- ◆ Low – Has little potential to cause... Little doubt exists...



Risk Handling Strategy

- ◆ **HIGH** - Immediate and intensive surveillance will be accomplished. Options include: establishment of intensive system evaluations, product audits, partial or full process proofing, data review, root cause analysis, corrective actions, statistical sampling, etc. Also, process improvement integrated product teams will be established as a method toward mitigating risk.

- ◆ **MODERATE** - Intensity and frequency of surveillance may include establishment of scheduled system evaluations, process or product audits, partial or full process proofing, data review, root cause analysis, and corrective action, statistical sampling, etc. Also, process improvement integrated product teams (IPTs) will be established as a method toward mitigating risk.



Risk Handling Strategy (continued)

- ◆ **Low** - Intensity and frequency of surveillance is minimal and may be conducted using periodic reviews of Government and contractor data (e.g., Earned Value Management System (EVMS), delivery performance history, process control data, extensive audit data.



Risk-Based Pre-Award Surveys

- ◆ All of the surveys done under the pilot test involved solicitations.
- ◆ The PAT will explore the use of the RB concept with General Purpose and Capability surveys.
- ◆ The PAT is likely to recommend modifications to PASS 6.0 to incorporate the RB concept.
- ◆ Your help, comments and advice, as well as that of your functional specialists, will be invaluable to our effort.